

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

GUEVOURA FUND LTD., On Behalf of
Itself and All Others Similarly Situated,

Plaintiff,

v.

ROBERT F.X. SILLERMAN, D. GEOFFREY
ARMSTRONG, JOHN MILLER and
MICHAEL JOHN MEYER,

Defendants.

Case No. 1:15-cv-07192-CM

Case No. 1:18-cv-09784-CM

**NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION, MOTION FOR
ATTORNEYS' FEES AND EXPENSES, AND FINAL SETTLEMENT HEARING**

To: All persons or entities who purchased or otherwise acquired SFX Entertainment, Inc. ("SFX") common stock during the period between February 25, 2015 and November 17, 2015, inclusive (the "Class Period").

PLEASE READ THIS NOTICE CAREFULLY.

**YOUR RIGHTS WILL BE AFFECTED BY A CLASS ACTION LAWSUIT
PENDING IN THIS COURT**

PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE, YOU MUST TIMELY **SUBMIT A VALID PROOF OF CLAIM POSTMARKED OR DELIVERED NO LATER THAN DECEMBER 27, 2019** IN CONNECTION WITH THIS SETTLEMENT. A PROOF OF CLAIM ACCOMPANIES THIS NOTICE. IF YOU NEED AN ADDITIONAL PROOF OF CLAIM, YOU MAY REQUEST ONE FROM THE CLAIMS ADMINISTRATOR, AS EXPLAINED BELOW.

I. SUMMARY OF THIS NOTICE

This Notice relates to a federal securities class action brought pursuant to Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder currently pending before the United States District Court for the Southern District of New York ("District Court"), in which Lead Plaintiff Guevoura Fund Ltd. ("Lead Plaintiff") alleges that Defendants Robert D. Geoffrey Armstrong, Michael John Meyer, John Miller, and Robert F.X. Sillerman ("Sillerman") (collectively, "Director Defendants") engaged in a scheme to manipulate the market for SFX common stock in connection with purported proposals by Defendant

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Sillerman to buy SFX, and by issuing materially false and misleading statements in furtherance of that illicit scheme.

This Notice has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the District Court. The purpose of this Notice is to inform you of the proposed settlement of a class action lawsuit (“Action”), as set forth in the Stipulation and Agreement of Settlement dated April 30, 2019 (“Stipulation” or “Settlement”), and of the hearing to be held by the District Court to consider the fairness, reasonableness, and adequacy of the Settlement. This Notice is not intended to be, and should not be understood as, an expression of any opinion by the District Court concerning the merits of the Action. This Notice describes the rights you may have in connection with the Settlement and what steps you may take in relation to the Settlement.

The proposed Settlement creates a fund, before deductions of attorneys’ fees, costs, and expenses, in the amount of \$6,750,000.00 (U.S.) in cash to be caused by the Director Defendants to be paid by their directors’ and officers’ insurance carriers (“Director Defendants’ Contribution”) and from Defendant Sillerman an allowed general unsecured dischargeable claim in the amount of \$750,000.00, not subject to objection, reduction or setoff, in favor of Lead Plaintiff and the Class Members, in Defendant Sillerman’s bankruptcy proceeding (“Sillerman Contribution”). Please note that there is no certainty that the Sillerman Contribution will ever be paid or paid in full. Lead Plaintiff and the Director Defendants disagree on the potential liability of the Director Defendants and they do not agree on the average amount of damages per share, if any, that would be recoverable if Lead Plaintiff was to have prevailed at trial on each claim alleged. Lead Plaintiff and Lead Counsel (as defined below) believe that the proposed Settlement is an excellent recovery and is in the best interests of the Class (as defined below) in light of the risks associated with continuing to litigate and proceeding to trial.

The Class was certified by the District Court on February 4, 2019, and the Class definition was amended by the Court’s Order Granting Preliminary Approval of Proposed Settlement and Providing for Notice to the Class dated July 30, 2019 (“Preliminary Approval Order”). The Class is all persons or entities (other than those who timely and validly request exclusion from the Class) who purchased or otherwise acquired SFX common stock during the Class Period. Excluded from the Class are the officers and directors of SFX during the Class Period (including the Director Defendants, Mitchell Slater, Andrew Bazos, Joseph Rascoff, Edward Simon, Pasquale Manocchia, Howard Tytel, and Sheldon Finkel), members of their immediate families, and any entity in which they have or had a controlling interest, their respective legal representatives, heirs, successors, or assigns, and the Opt-Out Plaintiffs (the named plaintiffs in the action denominated: *Altimeo Investissement, Altimeo Optimum, Edward S. Gutman, The Merger Fund, The Merger Fund VI, WCM Alternatives: Event Driven Fund, and WCM Master Trust v. Robert F.X. Sillerman, D. Geoff Armstrong, John Miller, Michael John Meyer, Andrew N. Bazos, Joseph R. Rascoff, Edward Simon and Pasquale Manocchia*, Index No. 651084/2016 (N.Y. Sup. Ct. N.Y. Co.): *Altimeo Investissement, Altimeo Optimum, The Merger Fund, The Merger Fund VI, WCM Alternatives: Event Driven Fund, WCM Master Trust and Edward S. Gutman*).

If the Settlement is approved by the District Court, Court-appointed Lead Counsel for Lead Plaintiff, Brower Piven, A Professional Corporation, 136 Madison Avenue, 5th Floor, New

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York, NY 10016 (“Lead Counsel”) will apply to the Court for an award of attorneys’ fees not to exceed, in the aggregate, thirty-three and one third percent (33 1/3%) of the Director Defendants’ Contribution and thirty-three and one third percent (33 1/3%) of the Sillerman Contribution, or portion(s) of the Sillerman Contribution paid, if or when paid into the Settlement Fund, plus reimbursement of Lead Counsel’s reasonable out-of-pocket litigation and notice and settlement administration expenses as compensation for successfully prosecuting the Action. Lead Plaintiff may also seek an award of reasonable costs and expenses directly relating to its representation of the Class. You may contact the claims administrator, JND Legal Administration (the “Claims Administrator”), or a representative of Lead Counsel for further information about the Settlement. See below under “Further Information” for the contact information.

Statement of Plaintiffs’ Recovery – The Settlement Fund consists of the Director Defendants’ Contribution and the Sillerman Contribution, plus all interest earned thereon after payment of such funds into the Escrow Account. Based on Lead Counsel’s estimate of the number of shares of stock that may have been damaged by the alleged misrepresentations, and assuming that all those shares participate in the Settlement, Lead Plaintiff estimates that the average recovery, based on 18,383,168 common shares, would be approximately \$0.37 per share if the Sillerman Contribution is not paid and \$0.41 if the Sillerman Contribution is paid. As described more fully in Lead Plaintiff’s papers in support of the proposed Settlement and Plan of Allocation that will be filed before the deadlines for Class Members to request exclusion from the Class or object to the proposed Settlement and/or Plan of Allocation, Lead Plaintiff has obtained a Settlement that Lead Counsel estimates will result in a recovery, based on the statutory measures of damages permitted under Section 10(b) and 20(a) of the Securities Exchange Act of 1934 and accounting for generally accepted principles of loss causation, for participating Class Members, before attorneys’ fees, costs and expenses, of approximately 63% of the estimated likely recoverable damages if the Sillerman Contribution is paid and 57% if the Sillerman Contribution is not paid

Your recovery from this fund, however, will depend on a number of variables, including the number of shares of SFX common stock you purchased during the Class Period, the timing of your purchases and any sales, the number and amount of claims actually filed, the estimate of recoverable losses based on the analysis of Lead Plaintiff’s damages consultant, as well as whether the Sillerman Contribution is ever paid or paid in full. You are advised to review the Plan of Allocation set forth on pages 10 to 18 below in the Notice to estimate potential individual recoveries, which provides the actual formulas that will be applied to claims submitted by each eligible individual, corporation, limited liability corporation, professional corporation, partnership, limited partnership, limited liability partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and/or any business or legal entity and their spouses, heirs, predecessors, successors, representatives, or assignees (“Person”) or entity (“Class Member(s)"). The estimates above are also before deduction of any Court-awarded attorneys’ fees, out-of-pocket expenses, Lead Plaintiff’s costs and expenses, and the cost of sending this Notice and administering and distributing the Settlement proceeds.

Statement of Potential Outcome of Case – Lead Plaintiff and the Director Defendants disagree on the potential liability of the Director Defendants and they do not agree on the average amount of damages per share, if any, that would be recoverable if Lead Plaintiff was to

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have prevailed at trial on each claim alleged. The Director Defendants deny that they are liable in any respect or that Lead Plaintiff suffered any injury. The issues on which the parties disagree include: (1) whether any Director Defendant engaged in any conduct in violation of, or subject to challenge under, the federal securities laws; (2) the amounts by which shares of SFX common stock were allegedly artificially inflated (if at all) during the Class Period (as defined below); (3) the effect of various market forces influencing the trading price of SFX common stock at various times during the Class Period; (4) the extent to which the various matters that Lead Plaintiff alleged were materially false or misleading influenced (if at all) the trading price of SFX common stock during the Class Period; (5) the extent to which the various allegedly adverse material facts that Lead Plaintiff alleged were misrepresented or omitted influenced (if at all) the trading price of SFX common stock during the Class Period; (6) the impact, if any, of belated truthful discourse regarding the proposals to take SFX private; and (7) whether, even if liability could be proven, total damages would be greater than \$0 and, if so, how much.

Statement of Attorneys' Fees and Costs Sought – Lead Counsel have committed a substantial amount of time prosecuting claims against the Director Defendants on behalf of Lead Plaintiff and the Class. In addition, they have not been reimbursed for out-of-pocket expenses. If the Settlement is approved by the District Court, Lead Counsel shall apply to the Court for an award of a reasonable percentage of the Settlement Fund not to exceed, in the aggregate, thirty-three and one third percent (33 1/3%) of the Director Defendants' Contribution and thirty-three and one third percent (33 1/3%) of the Sillerman Contribution, or portion(s) of the Sillerman Contribution paid, if or when paid into the Settlement Fund, as attorneys' fees, plus reimbursement of Lead Counsel's reasonable out-of-pocket litigation of up to \$800,000.00 and Notice and settlement administration expenses. Lead Plaintiff may also seek an award of reasonable costs and expenses directly relating to its representation of the Class. If the amounts described above are requested and approved by the Court, and the Sillerman Contribution is paid, the average cost will be approximately \$0.18 per share, and if the Sillerman Contribution is not paid, the average cost will be approximately \$0.16 per share. In addition, Lead Counsel may apply to the District Court, from time to time, for their fees and expenses, including hourly time billing incurred solely for administration of the Settlement.

Reasons for Settlement – Lead Plaintiff believes that the proposed Settlement with the Director Defendants is an excellent recovery and is in the best interests of the Class. Because of the risks associated with continuing to litigate and proceeding to trial, there was a danger that the Class would not have prevailed on their claims against the Director Defendants, in which case the Class would receive nothing from the Director Defendants. Even if Lead Plaintiff prevailed on liability, the amount of damages recoverable by Class Members was and is challenged by the Director Defendants. Recoverable damages in this case are limited to losses caused by conduct actionable under applicable law and, had the Action gone to trial, the Director Defendants would have asserted that all or most of the losses of Class Members were caused by non-actionable conduct or market, industry, or general economic factors. Defendants would also assert, among other things, that their conduct complied with all applicable legal standards and they are liable for any violations of the federal securities laws. Moreover, here, the limited available Directors' and Officers' liability insurance was being depleted by continuing costs of litigation and the defense of the Director Defendants. Further, due to the SFX bankruptcy, no recovery could be made from that entity, and with Defendant Sillerman still in bankruptcy, the ultimate recovery from that source is highly uncertain. Additionally, several other parties not involved in this

Action have asserted claims against the Director Defendants, the defense of which would further deplete the available D&O insurance coverage and could result in judgments on settlements in other litigation that could diminish or exhaust the available D&O coverage and/or any other source of payment before a recovery could be made in the Action. These unique risks provided reasons for the Settlement.

Further Information – You may contact a representative of the Claims Administrator for further information about the Settlement by calling the following toll-free number: 1-844-961-0313. You also may email the Claims Administrator at the following email address: info@SFXSecuritiesLitigation.com. Any written inquiries about the Action should be addressed to the Claims Administrator at:

Guevoura Fund Ltd. v. Sillerman, et al.
c/o JND Legal Administration
PO Box 91202
Seattle, WA 98111-9302

All Parties to this Action will file their papers in support of the proposed Settlement, the proposed Plan of Allocation and Lead Counsel’s application for an award of attorneys’ fees and reimbursement of litigation expenses on or before October 11, 2019. You may review copies of those papers on or after October 11, 2019 by inspecting them either in the Office of the Clerk of the District Court at the Daniel Patrick Moynihan U.S. Courthouse, 500 Pearl Street, New York, NY 10007, or at www.SFXSecuritiesLitigation.com, or by requesting, in writing, copies from the Claims Administrator listed above, by writing to *Guevoura Fund Ltd. v. Sillerman, et al.*, c/o JND Legal Administration, PO Box 91202, Seattle, WA 98111-9302.

II. NOTICE OF HEARING ON PROPOSED SETTLEMENT

A settlement hearing will be held on December 13, 2019, at 10:00 a.m. (Eastern Time), before the Honorable Colleen McMahon, Chief United States District Judge, at the Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007 (“Settlement Hearing”). The purpose of the Settlement Hearing will be: (1) to determine whether the Settlement should be approved as fair, reasonable, and adequate to the Class and the proposed Final Judgment entered; (2) to determine whether the proposed Plan of Allocation for the proceeds of the settlement is fair and reasonable, and should be approved by the District Court; (3) to determine whether any applications for attorneys’ fees or expenses to Lead Counsel should be approved; (4) to determine whether any award of reasonable costs and expenses to Lead Plaintiff should be approved; and (5) to rule upon such other matters as the Court may deem appropriate. The Court may adjourn or continue the Settlement Hearing without further notice to the Class.

III. THE LITIGATION

The initial complaint in this consolidated litigation was filed on September 11, 2015. On December 8, 2015, pursuant to the Private Securities Litigation Reform Act of 1995, the District Court consolidated the two pending actions alleging similar claims, appointed Guevoura Fund Ltd. as Lead Plaintiff, and approved Lead Plaintiff’s selection of Brower Piven as Lead Counsel.

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On December 23, 2015, Plaintiff filed a Consolidated Amended Class Action Complaint (the “Complaint”), which is the operative pleading. The Complaint asserts claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder. The Complaint alleges that, during the Class Period, the Director Defendants engaged in a scheme to manipulate the market for SFX common stock in connection with purported proposals by Defendant Sillerman to buy SFX, and by issuing materially false and misleading statements in furtherance of that illicit scheme.

By Memorandum Decision and Order filed on September 12, 2016, the District Court denied, in their entirety, the Director Defendants’ motions to dismiss the Complaint.

After the Director Defendants answered the Complaint, the parties determined to engage in non-binding mediation with the assistance of former U.S. District Judge Layn Phillips. An all-day mediation session occurred on April 18, 2017. After the mediation, the parties continued to work with Judge Phillips to seek a resolution. Although the parties were close to a resolution, their efforts ended when certain creditors filed an involuntary petition under Chapter 7 of the Bankruptcy Code against Defendant Sillerman in the Bankruptcy Court on December 27, 2017. Defendant Sillerman responded by filing a motion to convert the involuntary Chapter 7 case to a voluntary Chapter 11 case, which the Bankruptcy Court granted by order dated March 1, 2018. Given Defendant Sillerman’s contribution was a *sine qua non* of the preliminary settlement reached, his bankruptcy made further negotiation of the allocation of the preliminary settlement futile.

On September 25, 2018, Lead Plaintiff filed proofs of claim in the Sillerman Bankruptcy Proceeding on behalf of itself and the Class. On June 19, 2018, Lead Plaintiff timely filed a complaint commencing an adversary proceeding (the “Non-Dischargeability Action”) in the Sillerman Bankruptcy Proceeding seeking, *inter alia*, a determination that Defendant Sillerman’s indebtedness to Lead Plaintiff and the Class constitutes a non-dischargeable debt pursuant to 11 U.S.C. § 523 in that Defendant Sillerman’s liability to Lead Plaintiff and Class is grounded in violations of the federal securities laws.

On October 22, 2018, Lead Plaintiff filed a motion in the District Court to withdraw the bankruptcy reference with regard to the Non-Dischargeability Action, which Defendant Sillerman opposed. On December 3, 2018, the District Court granted Lead Plaintiff’s motion to withdraw the bankruptcy reference of the Non-Dischargeability Action. On October 30, 2018, Defendant Sillerman filed an answer to the complaint in the Non-Dischargeability Action denying all allegations of wrongdoing and asserting defenses to Lead Plaintiff’s claims asserted on behalf of itself and the Class. Following a conference with the District Court on December 20, 2018, on December 21, 2018, the District Court entered an order consolidating the Class Action and the Non-Dischargeability Action, and set a pretrial schedule that contemplated trial of both actions in September 2019.

Following expedited class discovery, including Lead Plaintiff’s document production, submission of its market expert’s report, and the deposition of its representative, on February 4, 2019, by stipulation of the parties, the Court certified the Class, appointed Lead Plaintiff as the Class representative and Brower Piven as Class Counsel. Through the course of the litigation, Lead Counsel thoroughly reviewed thousands of pages of publicly available documents,

including, among other things, U.S. Securities & Exchange Commission and other regulatory filings, media reports, and analyst reports. Lead Counsel also consulted with several expert consultants, including extensive consultations with their economic, financial and damages experts. Lead Counsel further conducted an extensive factual investigation and discovery. In addition to requesting and receiving documents from SFX and the Director Defendants, Lead Counsel subpoenaed nine third parties for documents and began to review the thousands of documents provided by SFX, the Director Defendants and the third parties.

On February 25, 2019, the parties participated in a settlement conference with Magistrate Judge Ona T. Wang, but did not reach a resolution. The parties had a number of telephone calls and electronic communications over the course of the next two weeks concerning a possible settlement. On March 12, 2019, the parties reached the global settlement, which also included settlements with the SFX Litigation Trustee, who was appointed in connection with the confirmed plan of reorganization in the SFX bankruptcy proceeding for the purpose of pursuing certain claims of SFX primarily against Defendant Sillerman, and the Opt-Out Plaintiffs.

Subsequently, counsel for Lead Plaintiff and the Director Defendants continued negotiations resulting in the terms and conditions set forth in the Stipulation.

On June 26, 2019, the Bankruptcy Court in the Sillerman Bankruptcy Proceeding entered an Order, upon a motion of Defendant Sillerman and pursuant to Rule 9019(a) of the Federal Rules of Bankruptcy Procedure, authorizing Defendant Sillerman to give the releases set forth herein of the Released Defendants' Claims, to give releases in favor of the Insurance Carriers, to take all actions necessary to effectuate the transactions contemplated by the Settlement, and to make the Sillerman Contribution.

IV. CLAIMS OF THE CLASS AND BENEFITS OF SETTLEMENT

Lead Plaintiff believes that the claims asserted in the Action against the Director Defendants have merit and that the evidence developed to date supports those claims. However, Lead Plaintiff and its counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Action against the Director Defendants through trial and through appeals. Lead Plaintiff and its counsel also have taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as this Action, as well as the difficulties and delays inherent in such litigation, as well as the difficulties of recovering from Defendant Sillerman through the Sillerman Bankruptcy Proceeding or thereafter. Lead Plaintiff and its counsel also are mindful of the inherent problems of proof under and possible defenses to the securities law violations asserted in the Action. Lead Plaintiff and its counsel believe that the settlement set forth in the Stipulation confers substantial benefits upon the Class. Based on their evaluation, Lead Plaintiff and its counsel have determined that the settlement set forth in the Stipulation is in the best interests of Lead Plaintiff and the Class.

V. DIRECTOR DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY

The Director Defendants have denied and continue to deny each and all of the claims alleged in the Action. The Director Defendants, however, recognize the uncertainty and the risk inherent in any litigation, especially complex securities litigation, and the difficulties and

substantial burdens, expense, and length of time that may be necessary to defend the Action through the conclusion of discovery, summary judgment motions, trial, post-trial motions, and appeals. The Director Defendants have therefore determined to settle the Action on the terms and conditions set forth in the Stipulation and to put the Released Claims (as defined on pages 18-19) to rest finally and forever, without in any way acknowledging any wrongdoing, fault, liability, or damages to Lead Plaintiff and the Class.

VI. TERMS OF THE PROPOSED SETTLEMENT

The Director Defendants have, or will cause to be paid, \$6,750,000.000 million in cash into an Escrow Account by the Director Defendants' directors' and officers' insurance carriers, which will earn interest for the benefit of the Class, pursuant to the terms of the Stipulation, until distributed to eligible claiming Class Members. Furthermore, Defendant Sillerman has agreed to the \$750,000.00 Sillerman Contribution in the form of an allowed general unsecured claim not subject to objection, reduction or setoff in favor of Lead Plaintiff and the Class in Defendant Sillerman's bankruptcy proceeding. As the outcome of Defendant Sillerman's bankruptcy proceeding is uncertain, there is no certainty that the Sillerman Contribution will ever be paid or paid in full. In exchange for such payments, the Releasing Parties fully, finally and forever release, relinquish and discharge the Released Claims against the Released Parties (as defined on page 19). The Released Parties fully, finally and forever release, relinquish and discharge the Released Defendants' Claims (as defined on page 19) against Lead Plaintiff and/or Lead Counsel and against any other of the Released Parties (as defined on page 19). A portion of the Settlement Fund will be used for certain administrative expenses, including the costs of printing and mailing this Notice, the cost of publishing notices, payment of any taxes assessed against the Settlement Fund and costs associated with the processing of claims submitted. In addition, as explained herein, a portion of the Settlement Fund may be awarded by the Court to Lead Counsel for attorneys' fees and expenses, and to Lead Plaintiff for reasonable costs and expenses. The Settlement Fund less (i) any Court-awarded attorneys' fees, costs, and expenses; (ii) any Court-awarded reasonable costs and expenses to Lead Plaintiff; (iii) notice and administration costs; (iv) taxes and tax expenses; and (v) other Court-approved deductions that occur before distribution of the proceeds of the settlement to the Class ("Net Settlement Fund") will be distributed to any Class Member whose claim for recovery has been allowed pursuant to the terms of the Stipulation ("Authorized Claimant") according to the Plan of Allocation described below.

VII. REQUESTING EXCLUSION FROM THE CLASS

If you do not wish to be included in the Class and you do not wish to participate in the proposed settlement described in this Notice you may request to be excluded. To do so, you must send a letter **POSTMARKED OR DELIVERED NO LATER THAN NOVEMBER 12, 2019**. In this letter, you must set forth: (a) your name, current address, and day-time and evening telephone numbers; (b) the dates of all your purchases and/or sales of SFX common stock during the Class Period; (c) the number of shares purchased and/or sold on each such date; (d) the prices paid and/or received for all such shares on each such date; and (e) a clear and unambiguous statement that you wish to be excluded from the Class. The request for exclusion should be addressed as follows:

Guevoura Fund Ltd. v. Sillerman, et al.

EXCLUSIONS

c/o JND Legal Administration

PO BOX 91202

Seattle, WA 98111-9302

NO REQUEST FOR EXCLUSION WILL BE CONSIDERED VALID UNLESS ALL OF THE INFORMATION DESCRIBED ABOVE IS INCLUDED IN ANY SUCH REQUEST. NO FURTHER OPPORTUNITY TO REQUEST EXCLUSION WILL BE GIVEN IN THIS ACTION.

If you validly request exclusion from the Class: (a) you will be excluded from the Class; (b) you shall have no rights under the Stipulation; (c) you shall not be entitled to submit any Proof of Claim forms; (d) you will not share in the proceeds of the Settlement described herein; (e) you will not be bound by any judgment entered in the Action; and (f) you will not be precluded, by reason of your decision to request exclusion from the Class, from otherwise prosecuting an individual claim, if timely, against the Director Defendants based on the matters complained of in the Action.

If you choose to be excluded from the Class, you will retain any right you have to individually pursue any legal rights that you may have against any of the Director Defendants with respect to the claims asserted in the Action. Please note that if you decide to exclude yourself from the Class, you may be time-barred from asserting the claims covered by the Action by the applicable statute of repose. If you wish to opt-out to pursue a separate recovery against the Director Defendants, before seeking to opt-out, you are urged to consult counsel at your own expense to determine whether any such separate action can still be timely pursued on your behalf.

VIII. THE RIGHTS OF CLASS MEMBERS

If you are a Class Member, you have the following options:

1. You may file a Proof of Claim. If you submit a Proof of Claim, you will share in the proceeds of the proposed Settlement if your claim is valid and if the proposed settlement is finally approved by the Court. In addition, you will be bound by the Final Judgment and release described below.
2. If you have not timely and validly requested exclusion from the Class, you may object to the Settlement. However, if your objection is rejected, you will be bound by the Settlement and the Final Judgment just as if you had not objected.
3. You may do nothing at all. If you choose this option, you will not share in the proceeds of the Settlement, but you will be bound by any judgment entered by the Court in connection with the Settlement, and you shall be deemed to have, and by operation of the Final Judgment shall have, fully released all of the Released Claims against the Released Parties.

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4. If you are a Class Member, you may, but are not required to, enter an appearance through counsel of your own choosing at your own expense. If you do not do so, you will be represented by Lead Counsel:

David A.P. Brower
BROWER PIVEN
A Professional Corporation
136 Madison Avenue, 5th Floor
New York, NY 10016

Lead Counsel

You will not be charged personally for the services of Lead Counsel.

IX. PLAN OF ALLOCATION

The Plan of Allocation set forth herein is the plan that is being proposed to the Court for its approval by Lead Plaintiff after consultation with their damages expert. The Court may approve this plan as proposed or it may modify the Plan of Allocation without further notice to the Class. Any Orders regarding any modification of the Plan of Allocation will be posted on the settlement website.

The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund to those Class Members who suffered economic losses as a proximate cause of the alleged wrongdoing. The Claims Administrator shall determine each Authorized Claimant's share of the Net Settlement Fund based upon the recognized loss formulas (the "Recognized Loss") described below. The calculation of Recognized Loss depends upon several factors, including: when shares of SFX common stock were purchased during the Class Period and for what price; whether those shares were sold, and if sold, when and for what price. The Recognized Loss calculations made pursuant to the Plan of Allocation are not intended to be estimates of, nor indicative of, the amounts that Class Members might have been able to recover after a trial. Nor are the Recognized Loss calculations pursuant to the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement. The computations under the Plan of Allocation are only a method to weigh the claims of Authorized Claimants against one another for the purposes of making pro rata allocations of the Net Settlement Fund.

In developing the Plan of Allocation, Lead Plaintiff consulted with their damages consultant who had reviewed publicly available information regarding SFX and performed statistical analyses of the price movements of SFX common stock and the price performance of relevant market and peer indices during the Class Period. The damages consultant isolated the losses in SFX common stock that were caused by the alleged violations of the federal securities laws, eliminating losses attributable to market factors, industry factors, or Company-specific factors unrelated to the alleged violations of law. Lead Counsel further refined these calculations to account for the strength of the claims asserted in the Action. The Plan of Allocation, however, is not a formal analysis of damages.

Federal securities laws allow investors to recover for losses caused by disclosures which corrected a defendant's previous misleading statements or omissions. Thus, in order to have been

damaged by the alleged violations of the federal securities laws, SFX shares purchased during the Class Period must have been held during a period of time in which the price of the shares declined due to the disclosure of information which corrected an allegedly misleading statement or omission. Lead Counsel, in consultation with their damages consultant, has determined that such disclosures occurred on August 14, 2015 and November 17, 2015 (the “Corrective Disclosure Dates”). Accordingly, if a share of SFX common stock was sold before August 14, 2015 (the earliest Corrective Disclosure Date), the Recognized Loss for that share is \$0.00, and any loss suffered is not compensable under the federal securities laws. Likewise, if a share of SFX common stock was both purchased and subsequently sold between the Corrective Disclosure Dates, the Recognized Loss for that share is \$0.00.

Based on Lead Plaintiff’s allegations, the Recognized Loss calculation assumes that the Director Defendants’ manipulative and deceptive practices and false and misleading statements and omissions caused the price of SFX common stock to be artificially inflated throughout the Class Period. Lead Counsel, in consultation with their damages consultant, has determined that Defendants’ alleged misrepresentations on February 25, 2015, May 26, 2015 and October 16, 2015 introduced incremental artificial inflation in the price of SFX common stock. The computation of the estimated alleged artificial inflation in the price of SFX common stock during the Class Period is based on the stock price change, net of market- and industry-wide factors, in reaction to these alleged misrepresentations, as well as to the alleged Corrective Disclosures on August 14, 2015 and November 17, 2015. The estimated alleged artificial inflation in the price of SFX common stock during the Class Period is reflected in Table 1 below.

Table 1		
Artificial Inflation in SFX Common Stock		
From	To	Per-Share Price Inflation
February 25, 2015	May 25, 2015	\$0.39
May 26, 2015	August 13, 2015	\$0.71
August 14, 2015	October 15, 2015	\$0.16
October 16, 2015	November 16, 2015	\$0.29
November 17, 2015	November 17, 2015	\$0.20
November 18, 2015	November 18, 2015	\$0.16
November 19, 2015	Thereafter	\$0.00

The “90-day look back” provision of the Private Securities Litigation Reform Act of 1995 (“PSLRA”) is incorporated into the calculation of the Recognized Loss for SFX common stock. The limitations on the calculation of the Recognized Loss imposed by the PSLRA are applied such that losses on shares purchased during the Class Period and held as of the close of the 90-day period subsequent to the Class Period (the “90-Day Lookback Period”) cannot exceed the difference between the purchase price paid for such shares and the average price of SFX common stock during the 90-Day Lookback Period. The Recognized Loss on SFX common stock purchased during the Class Period and sold during the 90-Day Lookback Period cannot exceed the difference between the purchase price paid for such shares and the rolling average

price of SFX common stock during the portion of the 90-Day Lookback Period elapsed as of the date of sale.

Substantiation of Claims

A Recognized Loss will be calculated as set forth below for each purchase or acquisition of SFX shares that is listed in the accompanying Claim Form and for which adequate documentation is provided. Lead Counsel or the Claims Administrator may request additional documentation to support a claim. The failure to provide the requested information or otherwise satisfy Lead Plaintiff and the Claims Administrator regarding the *bone fides* of a claim will result in the rejection, in whole or in part, of any such claim.

Calculation of Recognized Losses

In the calculation of Recognized Losses, all purchases and sales shall exclude any fees, taxes and commissions incurred in connection with such purchases and sales. Any transactions in SFX common stock executed outside of regular trading hours for the U.S. financial markets shall be deemed to have occurred during the next regular trading session.

Purchases or acquisitions and sales of SFX shares shall be deemed to have occurred on the “trade” date as opposed to the “settlement” date. The receipt or grant by gift, inheritance or operation of law of SFX shares during the Class Period shall not be deemed a purchase, acquisition or sale of these shares for the calculation of a Claimant’s Recognized Loss, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of such shares *unless* (i) the donor or decedent purchased or otherwise acquired such SFX shares during the Class Period; (ii) the instrument of gift or assignment specifically provides that it is intended to transfer such rights; and (iii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such SFX shares.

Recognized Loss Formulas

For each share of SFX common stock purchased or otherwise acquired by a Class Member during the Class Period, the Recognized Loss per share shall be calculated as follows:

- I. For each share of SFX common stock purchased during the period February 25, 2015 through May 25, 2015, inclusive,
 - a. that was sold prior to August 14, 2015, the Recognized Loss per share is \$0.00.
 - b. that was sold during the period August 14, 2015 through October 15, 2015, inclusive, the Recognized Loss per share is *the lesser of*
 - i. \$0.23; or
 - ii. the purchase price *minus* the sale price.
 - c. that was sold during the period October 16, 2015 through November 16, 2015, inclusive, the Recognized Loss per share is *the lesser of*
 - i. \$0.10; or

- ii. the purchase price *minus* the sale price.
 - d. that was sold on November 17, 2015, the Recognized Loss per share is *the lesser of*
 - i. \$0.19; or
 - ii. the purchase price *minus* the sale price; or
 - iii. the purchase price minus \$0.44 (*i.e.*, the “90-Day Lookback Value” for November 17, 2015 as appears in Table 2 below).
 - e. that was sold on November 18, 2015, the Recognized Loss per share is *the lesser of*
 - i. \$0.23; or
 - ii. the purchase price *minus* the sale price; or
 - iii. the purchase price minus \$0.42 (*i.e.*, the “90-Day Lookback Value” for November 18, 2015 as appears in Table 2 below).
 - f. that was sold during the period November 19, 2015 through February 12, 2016, inclusive, the Recognized Loss per share is *the lesser of*
 - i. \$0.39; or
 - ii. the purchase price *minus* the sale price; or
 - iii. the purchase price minus the “90-Day Lookback Value” on the date of sale as appears in Table 2 below.
 - g. that was still held as of the close of trading on February 12, 2016 (*i.e.*, held through the 90-Day Lookback Period), the Recognized Loss per share is *the lesser of*
 - i. \$0.39; or
 - ii. the purchase price minus the average closing price for SFX common stock during the 90-Day Lookback Period, which is \$0.20.
- II. For each share of SFX common stock purchased during the period May 26, 2015 through August 13, 2015, inclusive,
- a. that was sold prior to August 14, 2015, the Recognized Loss per share is \$0.00.
 - b. that was sold during the period August 14, 2015 through October 15, 2015, inclusive, the Recognized Loss per share is *the lesser of*
 - i. \$0.55; or
 - ii. the purchase price *minus* the sale price.
 - c. that was sold during the period October 16, 2015 through November 16, 2015, inclusive, the Recognized Loss per share is *the lesser of*
 - i. \$0.42; or
 - ii. the purchase price *minus* the sale price.

- d. that was sold on November 17, 2015, the Recognized Loss per share is *the lesser of*
 - i. \$0.51; or
 - ii. the purchase price *minus* the sale price; or
 - iii. the purchase price minus \$0.44 (*i.e.*, the “90-Day Lookback Value” for November 17, 2015 as appears in Table 2 below).
 - e. that was sold on November 18, 2015, the Recognized Loss per share is *the lesser of*
 - i. \$0.55; or
 - ii. the purchase price *minus* the sale price; or
 - iii. the purchase price minus \$0.42 (*i.e.*, the “90-Day Lookback Value” for November 18, 2015 as appears in Table 2 below).
 - f. that was sold during the period November 19, 2015 through February 12, 2016, inclusive, the Recognized Loss per share is *the lesser of*
 - i. \$0.71; or
 - ii. the purchase price *minus* the sale price; or
 - iii. the purchase price minus the “90-Day Lookback Value” on the date of sale as appears in Table 2 below.
 - g. that was still held as of the close of trading on February 12, 2016 (*i.e.*, held through the 90-Day Lookback Period), the Recognized Loss per share is *the lesser of*
 - i. \$0.71; or
 - ii. the purchase price minus the average closing price for SFX common stock during the 90-Day Lookback Period, which is \$0.20.
- III. For each share of SFX common stock purchased during the period August 14, 2015 through October 15, 2015, inclusive,
- a. that was sold prior to November 19, 2015, the Recognized Loss per share is \$0.00.
 - b. that was sold during the period November 19, 2015 through February 12, 2016, inclusive, the Recognized Loss per share is *the lesser of*
 - i. \$0.16; or
 - ii. the purchase price *minus* the sale price; or
 - iii. the purchase price minus the “90-Day Lookback Value” on the date of sale as appears in Table 2 below.
 - c. that was still held as of the close of trading on February 12, 2016 (*i.e.*, held through the 90-Day Lookback Period), the Recognized Loss per share is *the lesser of*
 - i. \$0.16; or

- ii. the purchase price minus the average closing price for SFX common stock during the 90-Day Lookback Period, which is \$0.20.

IV. For each share of SFX common stock purchased during the period October 16, 2015 through November 16, 2015, inclusive,

- a. that was sold prior to November 17, 2015, the Recognized Loss per share is \$0.00.
- b. that was sold on November 17, 2015, the Recognized Loss per share is *the lesser of*
 - i. \$0.09; or
 - ii. the purchase price *minus* the sale price; or
 - iii. the purchase price minus \$0.44 (*i.e.*, the “90-Day Lookback Value” for November 17, 2015 as appears in Table 2 below).
- c. that was sold on November 18, 2015, the Recognized Loss per share is *the lesser of*
 - i. \$0.13; or
 - ii. the purchase price *minus* the sale price; or
 - iii. the purchase price minus \$0.42 (*i.e.*, the “90-Day Lookback Value” for November 18, 2015 as appears in Table 2 below).
- d. that was sold during the period November 19, 2015 through February 12, 2016, inclusive, the Recognized Loss per share is *the lesser of*
 - i. \$0.29; or
 - ii. the purchase price *minus* the sale price; or
 - iii. the purchase price minus the “90-Day Lookback Value” on the date of sale as appears in Table 2 below.
- e. that was still held as of the close of trading on February 12, 2016 (*i.e.*, held through the 90-Day Lookback Period), the Recognized Loss per share is *the lesser of*
 - i. \$0.29; or
 - ii. the purchase price minus the average closing price for SFX common stock during the 90-Day Lookback Period, which is \$0.20.

V. For each share of SFX common stock purchased on November 17, 2015,

- a. that was sold prior to November 18, 2015, the Recognized Loss per share is \$0.00
- b. that was sold on November 18, 2015, the Recognized Loss per share is *the lesser of*
 - i. \$0.04; or
 - ii. the purchase price *minus* the sale price; or

- iii. the purchase price minus \$0.42 (*i.e.*, the “90-Day Lookback Value” for November 18, 2015 as appears in Table 2 below).
- c. that was sold during the period November 19, 2015 through February 12, 2016, inclusive, the Recognized Loss per share is *the lesser of*
 - i. \$0.20; or
 - ii. the purchase price *minus* the sale price; or
 - iii. the purchase price minus the “90-Day Lookback Value” on the date of sale as appears in Table 2 below.
- d. that was still held as of the close of trading on February 12, 2016 (*i.e.*, held through the 90-Day Lookback Period), the Recognized Loss per share is *the lesser of*
 - i. \$0.20; or
 - ii. the purchase price minus the average closing price for SFX common stock during the 90-Day Lookback Period, which is \$0.20.

VI. For each share of SFX common stock purchased on or after November 18, 2015, the Recognized Loss per share is \$0.00.

Table 2 90-Day Lookback Values					
Sale Date	90-Day Lookback Value	Sale Date	90-Day Lookback Value	Sale Date	90-Day Lookback Value
11/17/2015	\$0.44	12/16/2015	\$0.30	1/15/2016	\$0.26
11/18/2015	\$0.42	12/17/2015	\$0.30	1/19/2016	\$0.25
11/19/2015	\$0.36	12/18/2015	\$0.30	1/20/2016	\$0.25
11/20/2015	\$0.33	12/21/2015	\$0.30	1/21/2016	\$0.25
11/23/2015	\$0.32	12/22/2015	\$0.30	1/22/2016	\$0.24
11/24/2015	\$0.32	12/23/2015	\$0.30	1/25/2016	\$0.24
11/25/2015	\$0.32	12/24/2015	\$0.30	1/26/2016	\$0.24
11/27/2015	\$0.31	12/28/2015	\$0.30	1/27/2016	\$0.24
11/30/2015	\$0.31	12/29/2015	\$0.30	1/28/2016	\$0.23
12/1/2015	\$0.30	12/30/2015	\$0.29	1/29/2016	\$0.23
12/2/2015	\$0.30	12/31/2015	\$0.29	2/1/2016	\$0.23
12/3/2015	\$0.29	1/4/2016	\$0.29	2/2/2016	\$0.22
12/4/2015	\$0.29	1/5/2016	\$0.29	2/3/2016	\$0.22
12/7/2015	\$0.29	1/6/2016	\$0.29	2/4/2016	\$0.22
12/8/2015	\$0.30	1/7/2016	\$0.28	2/5/2016	\$0.22
12/9/2015	\$0.30	1/8/2016	\$0.28	2/8/2016	\$0.21

12/10/2015	\$0.30	1/11/2016	\$0.27	2/9/2016	\$0.21
12/11/2015	\$0.30	1/12/2016	\$0.27	2/10/2016	\$0.21
12/14/2015	\$0.30	1/13/2016	\$0.27	2/11/2016	\$0.20
12/15/2015	\$0.30	1/14/2016	\$0.26	2/12/2016	\$0.20

An Authorized Claimant's total Recognized Loss is the sum total of his, her or its per share Recognized Loss for each SFX share purchased during the Class Period.

For purposes of determining whether a Claimant has a Recognized Loss, sales of SFX shares will be matched to prior share purchases on a first-in-first-out ("FIFO") basis. Specifically, sales will be matched in chronological order, by trade date, first against SFX common stock held as of the close of trading on February 24, 2015 (the last day before the Class Period begins) and then against the purchases of SFX common stock during the Class Period. To the extent that a calculation of a Recognized Loss per share results in zero or a negative number, that number shall be set to zero.

If the sum total of Recognized Losses of all Authorized Claimants who are entitled to receive payment out of the Net Settlement Fund is greater than the Net Settlement Fund, each Authorized Claimant shall receive his, her, or its *pro rata* share of the Net Settlement Fund. The *pro rata* share shall be the Authorized Claimant's Recognized Loss divided by the total of Recognized Losses of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.

If the Net Settlement Fund exceeds the sum total amount of the Recognized Losses of all Authorized Claimants entitled to receive payment out of the Net Settlement Fund, the excess amount in the Net Settlement Fund shall be distributed *pro rata* to all Authorized Claimants entitled to receive payment.

The Net Settlement Fund will be allocated among all Authorized Claimants whose prorated payment is \$5.00 or greater. If the prorated payment to any Authorized Claimant calculates to less than \$5.00, it will not be included in the calculation (*i.e.*, the Recognized Loss will be deemed to be zero) and no distribution will be made to that Authorized Claimant. Any prorated amounts of less than \$5.00 will be included in the pool distributed to those whose prorated payments are \$5.00 or greater.

Payment pursuant to the Plan of Allocation, or such other plan of allocation as may be approved by the Court, shall be conclusive against all Authorized Claimants. No person shall have any claim against Lead Plaintiff, Lead Counsel, Lead Plaintiff's damages expert, the Director Defendants, the Director Defendants' Counsel, or any of the other Released Parties, or the Claims Administrator or other agent designated by Lead Counsel arising from distributions made substantially in accordance with the Stipulation, the plan of allocation approved by the Court, or further Orders of the Court. Lead Plaintiff, the Director Defendants and their respective counsel, and all other Released Parties, shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund or the Net Settlement Fund; the plan of allocation; the determination, administration, calculation, or payment of any Claim Form or

nonperformance of the Claims Administrator; the payment or withholding of taxes; or any losses incurred in connection therewith.

X. PARTICIPATION IN THE SETTLEMENT

TO PARTICIPATE IN THE DISTRIBUTION OF THE NET SETTLEMENT FUND, YOU MUST TIMELY COMPLETE AND RETURN A VALID PROOF OF CLAIM IN CONNECTION WITH THIS SETTLEMENT.

A Proof of Claim is being sent with this Notice. If you are a Class Member and need an additional Proof of Claim, copies may be obtained by telephoning the Claims Administrator, toll-free, at 1-844-961-0313 or by downloading the form on the internet at www.SFXSecuritiesLitigation.com.

The Proof of Claim, with all supporting documents (DO NOT SEND ORIGINALS), must be **POSTMARKED OR DELIVERED NO LATER THAN DECEMBER 27, 2019**, to the Claims Administrator at the address below. DO NOT SEND a Proof of Claim to counsel for the Parties or the Court.

Guevoura Fund Ltd. v. Sillerman, et al.
c/o JND Legal Administration
PO BOX 91202
Seattle, WA 98111-9302

Unless the Court orders otherwise, if you do not timely submit a valid Proof of Claim, you will be barred from receiving any payment from the Net Settlement Fund, but will in all other respects be bound by the provisions of the Stipulation and the Final Judgment, including the releases of liability herein. The Court may disallow or adjust the claim of any Class Member. Each claimant will be deemed to have submitted to the jurisdiction of the District Court with respect to his, her, or its Proof of Claim.

XI. DISMISSAL AND RELEASES

If the proposed settlement is approved, the District Court will enter a Final Judgment and Order of Dismissal (“Final Judgment”). Under the Final Judgment, the Releasing Parties fully, finally and forever release, relinquish and discharge the Released Claims against the Released Parties. The Released Parties fully, finally and forever release, relinquish and discharge the Released Defendants’ Claims against Lead Plaintiff and/or its attorneys.

“Released Claims” means any and all claims, debts, actions, causes of action, suits, dues, sums of money, accounts, liabilities, reckonings, bonds, bills, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, awards, extents, executions, and demands whatsoever (including, but not limited to, any claims for damages, interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses or liability and including any claims for violations of Fed. R. Civ. P. 11), whether based on federal, state, local, statutory or common law or any other law, rule or regulation, including without limitation the federal securities laws and the claims alleged in the Non-Dischargeability Action, whether fixed

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or contingent, whether accrued or un-accrued, whether asserted or unasserted, whether liquidated or un-liquidated, whether at law or in equity, whether matured or unmatured, whether direct, indirect or consequential, whether class or individual in nature, whether suspected or unsuspected, and whether known claims or Unknown Claims (as defined below), which the Lead Plaintiff and the Class Members on behalf of themselves, their heirs, executors, representatives, administrators, predecessors, successors, assigns, officers and directors, any and all other persons they represent and any other person or entity claiming (now or in the future) through or on behalf of them, in their individual capacities and in their capacities as purchasers of SFX common stock, ever had, now has or hereafter can, shall or may have, from the beginning of time through and including the present, whether in their own right or by assignment, transfer or grant from any other person, thing or entity that (i) have been asserted in this Action and the Non-Dischargeability Action by the Lead Plaintiff and Class Members, or any of them, against any of the Released Parties, or (ii) could have been asserted in any forum by the Lead Plaintiff or Class Members, or any of them, against any of the Released Parties which arise out of, are based upon or relate to, directly or indirectly, the allegations, transactions, facts, statements, matters or occurrences, representations or omissions involved, set forth, or referred to in the Complaint, the complaint in the Non-Dischargeability Action or relate to the purchase, acquisition, transfer, holding, ownership, disposition, or sale of SFX common stock during the Class Period. Released Claims does not include claims relating to the enforcement of the Settlement or the terms of this Stipulation. For the avoidance of doubt, nothing in this Stipulation or this release releases the Director Defendants from their obligations under this Stipulation or their liability for breach of any term, warranty, or representation in this Stipulation.

“Released Defendants’ Claims” means any and all claims, rights, causes of action or liabilities, of every nature and description whatsoever, whether based in law or equity, on federal, state, local, statutory or common law or any other law, rule or regulation (including any claims for violations of Fed. R. Civ. P. 11), including both known claims and Unknown Claims, that have been or could have been asserted in the Action, the Non-Dischargeability Action or any forum by the Released Parties, or any of them, or the successors and assigns of any of them against Lead Plaintiff or its attorneys, or against any other of the Released Parties, which arise out of or relate in any way to the institution, prosecution, or settlement of the Action and the Non-Dischargeability Action. Released Defendants’ Claims does not include claims relating to the enforcement of the Settlement or the terms of this Stipulation.

“Released Parties” means each of the Director Defendants, Mitchell Slater, Andrew Bazos, Joseph Rascoff, Edward Simon, Pasquale Manocchia, Howard Tytel, and Sheldon Finkel, and their and SFX’s respective present and former direct and indirect parents, subsidiaries, divisions, and affiliates, and any of their present and former officers, directors, members, general partners, limited partners, employees, agents, representatives, attorneys, advisors, associates, associations, fiduciaries, sureties, insurers (including but not limited to the Insurance Carriers) and reinsurers, shareholders, auditors and accountants, financial advisors and investment banks, predecessors, heirs, estates consultants, successors and assigns of each of them, and any other person or entity in which any of the foregoing has or had a controlling interest or which is or was related to or affiliated with any of the foregoing, and anyone acting in concert with any of them.

“Releasing Parties” means Lead Plaintiff and each of the Class Members on behalf of themselves, their heirs, executors, representatives, administrators, predecessors, successors,

assigns, officers and directors.

“Unknown Claims” means any and all Released Claims which any Releasing Party does not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties, which if known by him, her or it might have affected his, her or its decision(s) with respect to the Settlement. With respect to any and all Released Claims, the Parties stipulate and agree that the Lead Plaintiff expressly waives, and each Class Member shall be deemed to have waived, and by operation of the Final Judgment shall have expressly waived, any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

Lead Plaintiff, as a Class representative, acknowledges that members of the Class may discover facts in addition to or different than those that they now know or believe to be true with respect to the subject matter of the release herein, but that it is its intention, on behalf of the Class, to fully, finally, and forever settle and release any and all claims released hereby, known or unknown, suspected or unsuspected, which now exist, or heretofore existed, or may hereafter exist, and without regard to the subsequent discovery or existence of such additional or different facts. Lead Plaintiff also acknowledges, and Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of Released Claims was separately bargained for and was a key element of the Settlement Agreement.

XII. APPLICATION FOR ATTORNEYS’ FEES AND EXPENSES

At the Settlement Hearing, Lead Counsel will request an award of a reasonable percentage of the Settlement Fund not to exceed, in the aggregate, thirty-three and one third percent (33 1/3%) of the Director Defendants’ Contribution and one third percent (33 1/3%) of the Sillerman Contribution, or portion(s) of the Sillerman Contribution paid, if or when paid into the Settlement Fund, and up to \$800,000.00 for reimbursement of Lead Counsel’s reasonable out-of-pocket litigation expenses and Notice and settlement administration expenses. Lead Plaintiff may also seek an award of reasonable costs and expenses directly relating to its representation of the Class. Lead Counsel’s fee application will be filed with the Court on **OCTOBER 11, 2019**. All such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees, costs, or expenses.

Lead Counsel have committed a substantial amount of time prosecuting claims on behalf of Lead Plaintiff and the Class. In addition, they have not been reimbursed for any of their costs and expenses. The amounts requested by Lead Counsel will compensate counsel for their efforts in achieving the Settlement for the benefit of the Class, and for their risk in undertaking this representation on a wholly contingent basis. The amount to be requested is within the range of fees awarded to plaintiffs’ counsel under similar circumstances in other litigations of this type. Lead Counsel may thereafter from time to time apply to the District Court, without further notice

to the Class, for an additional award of attorneys' fees and costs incurred in connection with administering the Settlement.

In addition to Lead Counsel's fees and litigation expenses, expenses will be incurred in connection with providing notice to the Class, processing Proofs of Claims, and distributing the Net Settlement Fund, and those amounts approved by the District Court will be deducted from the Settlement Fund. Pending any unforeseen circumstances, the Claims Administrator estimates that the cost of administration of this Settlement will be approximately \$125,000.00. That amount is a good faith estimate and may be higher or lower depending on numerous factors, including, but not limited to the number of claims submitted and the efforts necessary to cure deficient claims and/or obtain necessary documentation from claiming Class Members to calculate their claims. The Claims Administrator may apply, from time to time, without further notice to the Class for payment of its fees and expenses incurred in providing notice to the Class, administering the Settlement and distributing the proceeds of the Settlement and any such applications will require the approval of Lead Counsel and the District Court.

XIII. CONDITIONS FOR SETTLEMENT

The Settlement is conditioned upon the occurrence of certain events described in the Stipulation. Those events include, among other things: (1) entry of the preliminary approval order; (2) that the Stipulation not be terminated pursuant to its terms; (3) entry of the Final Judgment by the Court, as provided for in the Stipulation; and (4) expiration of the time to appeal from or alter or amend the Final Judgment. If, for any reason, any one of the conditions described in the Stipulation is not met or the Stipulation otherwise does not become effective or, under certain specified conditions, the Stipulation is terminated and, thereby, becomes null and void, the parties to the Stipulation will be restored to their respective positions as of the date the Stipulation was executed.

XIV. THE RIGHT TO OBJECT AND BE HEARD AT THE HEARING

Any Class Member who has not excluded himself, herself, or itself from the Class can object to the Settlement, or any part of it, and/or the application by Lead Counsel for attorneys' fees and expenses, and/or Lead Plaintiff's request for an award of reasonable costs and expenses. To object, any such Person or entity must submit a written objection and copies of any papers and briefs so they are **DELIVERED OR POSTMARKED NO LATER THAN NOVEMBER 12, 2019**, to each of the following:

David A.P. Brower
BROWER PIVEN
A Professional Corporation
136 Madison Avenue
5th Floor
New York, NY 10016

Lead Counsel

Aaron F. Miner
Daphne Morduchowitz
ARNOLD & PORTER KAYE
SCHOLER LLP
250 West 55th Street
New York, NY 10019

*Counsel for Defendants D.
Geoffrey Armstrong, John
Miller and Michael John Meyer*

Sanford P. Rosen
ROSEN & ASSOCIATES,
P.C.
747 Third Avenue
New York, NY 10017

*Counsel for Defendant
Robert F.X. Sillerman*

Any written objection must demonstrate the objecting Person's or entity's membership in the Class, including the dates of all such Class Member's purchases and/or sales of SFX common stock during the Class Period, the number of shares purchased and/or sold on each such date, and the prices paid and/or received for all such shares on each such date. Only Class Members who have submitted written objections in this manner will be entitled to be heard at the Settlement Hearing, unless the District Court orders otherwise. Persons and entities that intend to object to the Settlement and desire to present evidence at the Settlement Hearing must include in their written objections the identity of any witnesses they may call to testify and any exhibits they intend to introduce into evidence at the Settlement Hearing.

If you wish to attend the Settlement Hearing in person and speak to the Court, you must ask the Court for permission. To do so, you must submit a written statement noting your intention to appear at the Settlement Hearing to the persons noted above so that it is **RECEIVED ON OR BEFORE NOVEMBER 12, 2019**.

XV. SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you purchased SFX common stock from February 25, 2015 through and including November 17, 2015, for the beneficial interest of a person or entity other than yourself, **THE DISTRICT COURT HAS DIRECTED THAT WITHIN SEVEN (7) DAYS OF YOUR RECEIPT OF THIS NOTICE FROM THE CLAIMS ADMINISTRATOR, ALL SECURITIES BROKERS AND OTHER NOMINEES** either (a) provide to the Claims Administrator identified below, the name and last known address of each person or entity for whom or which you purchased SFX common stock during such time period or (b) request additional copies of this Notice, which will be provided to you free of charge, and within seven calendar (7) days after receipt of such additional copies of this Notice from the Claims Administrator, mail the Notice directly to the beneficial owners of the SFX common stock. If you select option (a) above, the Claims Administrator will cause copies of this Notice to be forwarded to the beneficial owners of the common stock referred to herein. If you choose to follow alternative procedure (b), the Court has directed that, upon such mailing, you send a statement to the Claims Administrator confirming that the mailing was made as directed. All communications concerning the foregoing should be addressed to the Claims Administrator by mail or email.

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c/o JND Legal Administration
PO BOX 91202
Seattle, WA 98111-9302
SFXSecurities@JNDLA.com

You are entitled to reimbursement for your reasonable and necessary expenses actually incurred in complying with the foregoing, including reimbursement of reasonable postage expenses and the reasonable costs of obtaining the names and addresses of beneficial owners. Those reasonable expenses and costs will be paid upon request and submission of

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appropriate supporting documentation. All requests for reimbursement should be sent to the Claims Administrator.

XVI. EXAMINATION OF PAPERS

This Notice is a summary and does not describe all of the details of the Stipulation. For full details of the matters discussed in this Notice, you may review the Stipulation filed with the Court, which may be inspected during business hours, at the office of the Clerk of the Court, Southern District of New York, Daniel Patrick Moynihan U.S. Courthouse, 500 Pearl Street, New York, NY 10007 or at www.SFXSecuritiesLitigation.com.

If you have any questions about the Settlement, you may contact a representative of the Claims Administrator by calling the following toll-free number: 1-844-961-0313. You also may email the Claims Administrator at the following email address: info@SFXSecuritiesLitigation.com. Any written inquiries about the Action should be addressed to the Claims Administrator at:

Guevoura Fund Ltd. v. Sillerman, et al.
c/o JND Legal Administration
PO BOX 91202
Seattle, WA 98111-9302

***PLEASE DO NOT CONTACT THE DISTRICT COURT OR THE DIRECTOR
DEFENDANTS' COUNSEL REGARDING THIS NOTICE.***

Dated: July 30, 2019

BY THE ORDER OF THE UNITED STATES
DISTRICT COURT FOR THE SOUTHERN
DISTRICT OF NEW YORK